

AR31



ONTARIO CREDIT UNION
LEAGUE LIMITED
31st ANNUAL REPORT
ROYAL YORK HOTEL • TORONTO
MARCH 4-6, 1971



29th Year

OF INCORPORATION

The first organizational meeting of the Ontario Credit Union League took place May 24, 1941. It was called the first Annual Meeting. For this reason, although the League has been incorporated since June 24, 1942, this meeting (1971) is in effect the 31st Annual Meeting but the 29th anniversary of incorporation.

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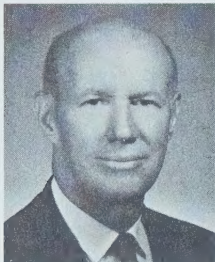
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ONTARIO CREDIT UNION LEAGUE LIMITED

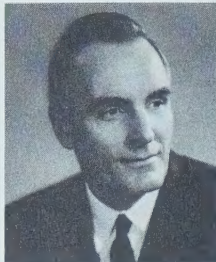
Credit Union Drive, Toronto 375, Ontario

Board of Directors

Board of Directors and Committee Members



Mr. D. R. Bell
Term Expires 1971



Mr. F. J. Kee
Resigned



Mr. Earle D. Reed
Term Expires 1971



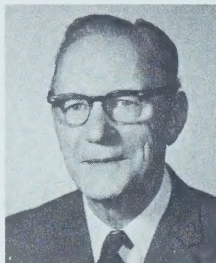
Mr. J. C. Sibley
Term Expires 1971



Mr. J. M. Stephens
Term Expires 1971



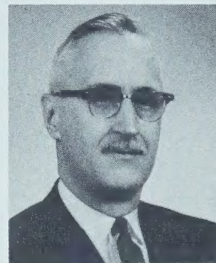
Mr. K. W. Weatherley
Term Expires 1971



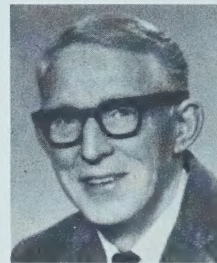
Rev. C. S. Inder
Term Expires 1972



Mr. H. H. Dixon
Term Expires 1972



Mr. A. E. Fortune
Term Expires 1972



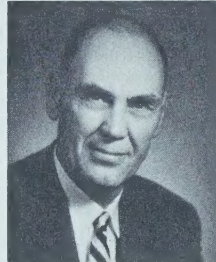
Mr. J. Robertson
Term Expires 1972



Mr. B. J. Romhanyi
Term Expires 1972



Mr. A. L. Tune
Term Expires 1972



Mr. J. Bonner
Term Expires 1973



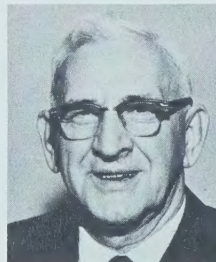
Mr. M. Cowal
Term Expires 1973



Mr. L. Davey
Term Expires 1973



Mr. J. N. Davidson
Term Expires 1973



Mr. P. Reddick
Term Expires 1973



Mr. J. E. O'Dell
Term Expires 1973

Officers

Mr. K. W. Weatherley, *President*
Mr. B. J. Romhanyi, *1st Vice-President*
Mr. H. H. Dixon, *2nd Vice-President*
Mr. L. Davey, *Comptroller*
Mr. J. M. Hallinan, B.A., *Secretary and General Manager*

NACCU Delegates

Term Expires

Mr. B. J. Romhanyi (Chairman and Alternate)	1971
Mr. K. W. Weatherley	1971
Mr. D. R. Bell	1972
Mr. J. Davidson	1972
Mr. J. Bonner	1973
Mr. A. L. Tune	1973

Executive Committee

Mr. K. W. Weatherley, *Chairman*
Mr. B. J. Romhanyi
Mr. H. H. Dixon
Mr. L. Davey
Mr. M. Cowal
Mr. J. Sibley
Mr. A. L. Tune
Mr. J. Stephens
Mr. D. R. Bell

League Central Committee

Mr. M. Cowal, *Chairman*
Mr. J. E. O'Dell
Mr. Earle D. Reed
Mr. J. Sibley
Mr. J. M. Hallinan, B.A., *Treasurer*

Resolutions Committee

Mr. A. L. Tune, *Chairman*
Mr. B. J. Romhanyi
Mr. J. Sibley

Policy Committee

Mr. A. L. Tune, *Chairman*
Mr. J. Bonner
Mr. D. R. Bell
Mr. J. Stephens

Chapter and Extensions Committee

Mr. J. Stephens, *Chairman*
Mr. J. Robertson
Rev. C. Inder
Mr. P. Reddick
Mr. J. Davidson

Stabilization Fund Committee

Mr. D. R. Bell, *Chairman*
Mr. J. Bonner
Mr. Earle D. Reed
Mr. A. E. Fortune

Nominees to CIAG Board

Mr. D. R. Bell
Mr. K. W. Weatherley
Mr. L. Davey
Mr. J. Robertson
Mr. J. E. O'Dell

(Mr. K. W. Weatherley, League President, is ex-officio member of all Committees, standing and special.)

(Mr. J. M. Hallinan, B.A., General Manager, is by by-law, Secretary of all Committees.)

ONTARIO CREDIT UNION LEAGUE LIMITED

Executive Department



John M. Hallinan, B.A.
Secretary and General Manager



Glenn J. Raycraft
Assistant General Manager



Miss Margaret Munro
Secretary to Executive Department

Administration and Stabilization Accounting Department



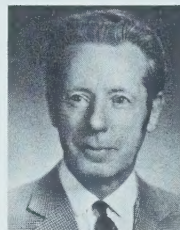
Kevin P. Fleming
*Supervisor of Administration and
Stabilization Fund Accounting*

League Central Department



Miss Mary E. Teahen
Manager League Central and Office

Public Relations Department



Gus Harris
*Director of Public Relations and
Editor Ontario Credit Union "News"*

Education Department



John Burton
Director of Education

Data Processing Department



Alan Cheetham
Director of Data Processing

Field Services Department



James J. Turley
Director of Field Services



Frank Egan
Building Superintendent

OVERALL ANNUAL MEETING TIMETABLE, MARCH 4, 5, 6, 1971

Wednesday, March 3, 1971

Registration	Mezzanine, 8.00 p.m. to 10.00 p.m.
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Thursday, March 4, 1971

Registration	Convention Foyer, 8.00 a.m. to 5.00 p.m.
Board of Directors Meeting	Territories Room, 10.00 a.m.

CUNA (Hamilton) Credit Union Presents
"The Consumer in the '70's"

Concert Hall 9.30 a.m. to noon

Assembly for Opening Ceremonies	Toronto Room, 1.30 p.m.
Official Opening Ceremonies	Canadian Room, 2.00 p.m.
General Meeting	Canadian Room, 2.00 to 5.00 p.m.
Chapter Night	Ballroom 7.30 p.m.
Successful Credit Union Marketing Stories of 1970	
League Information Service	Room "A", 8.30 a.m. to 5.00 p.m.

Friday, March 5, 1971

Registration	Convention Foyer, 8.00 a.m. to 5.00 p.m.
General Meeting	Canadian Room, 9.30 a.m. to 4.00 p.m.
Entertainment	Canadian Room, 8.00 p.m.
League Information Service	Room "A", 8.30 a.m. to 5.00 p.m.

Saturday, March 6, 1971

Registration	Convention Foyer, 8.30 a.m.
General Meeting	Canadian Room, 9.30 a.m. to conclusion
Dinner-Dance	Canadian Room, 7.00 p.m. to 12.00 midnight
League Information Service	Room "A", 8.30 a.m.

AGENDA: BUSINESS SESSIONS

Thursday, Friday and Saturday, March 4-5-6, 1971

- a) Opening ceremonies including the address of the President.
- b) Roll call or report of registration of members, including report of Credentials Committee, if any, determination of quorum.
- c) Reading of minutes of last meeting.
- d) Report of the Board of Directors.
- e) Report of the Comptroller.
- f) Auditors' Report.
- g) 1971 Approved Budget.
- h) Report of League Central.
- i) Nominations for League Directors and NACCU Delegates.
- j) Nominations close.
- k) Appointment of Auditors.
- l) NACCU Delegates.
- m) Elections.
- n) Balloting closes.
- o) Reports of any committees appointed by members.
- p) Unfinished business.
- q) Resolutions and reports of Resolution Committee.
- r) New business. (Including By-Law Amendments)
- s) Adjournment.
- t) Board Meeting.

National Association of Canadian Credit Unions



Robert Ingram
General Manager,
National
Association of
Canadian Credit
Unions

Confederation of Canadian credit unions is now a reality. Over 2.5 million members in some 3,300 credit unions are represented by NACCU through provincial organizations. NACCU in turn is affiliated directly with the new World Council of Credit Unions which replaces CUNA International, Inc. The board is composed of 15 directors including Joe Bonner and your league president Ken Weatherley who is also a director of the World Council.

Ontario is represented on the NACCU Tax and National Financial Committees. The latter will seek ways to gain direct access to the cheque clearing

system and a possible bank facility for the movement. Both committees are jointly funded by NACCU and the Canadian Co-operative Credit Society. By agreement last December, NACCU provides full management services to CCCS.

NACCU will co-ordinate Canadian-sponsored world extension development work. The \$30,000 which Ontario credit unions have contributed and additional grants from the Canadian government have now made possible three full-time field workers in Kenya, East Africa.

Thank you for your continued support and best wishes for a productive 31st annual meeting.

CUNA Mutual Insurance Society



J. L. Herve Lanctot
Vice-President and
General Manager,
Canadian
Operations, CUNA
Mutual Insurance
Society

Your Insurance Societies, CUNA Mutual and CUMIS, always welcome the opportunity of greeting the delegates of the annual meeting of one of the credit union world's greatest leagues, THE ONTARIO CREDIT UNION LEAGUE.

For well over a quarter of a century now, we have been associated with your League, working things out together, in close harmony, as your insurance partner in protection. It has been a grand alliance, because there has been perfect unanimity between us, in our resolve, to serve our movement with all the dedication and skill that we possess.

As a result of this partnership over the years, we have been able to develop those insurance programs which our credit unions need, and which serve the best interests of their members. Our portfolio of insurance contracts, built out of credit union insurance requirements, is proof positive of this. It runs the gamut. All of the areas of credit union life which require protection are covered; whether it be

corporate or individual. The list reads like the history of the credit union movement: Loan Protection, Life Savings, Members Group Life, Contributory Group Life, Credit Union Employees' Planned Security Programs, a full range of individual life contracts, plus fire, casualty and liability insurance. All designed to serve the insurance needs of credit unions and their members and assist them in completing the circle of family financial protection started by the credit union.

Your Insurance Societies are constantly at work, researching and developing insurance contracts to fit the changing needs of credit union people. We are doing this in concert with the Insurance industry; so that, we will have the technology to continue to provide the best in the way of insurance for our movement.

Our best wishes to the delegates for a productive meeting and continued success in the future.

Co-operators Insurance Associations of Guelph



Teunis Haalboom
General Manager,
Co-operators
Insurance
Associations of
Guelph

The Association passed a milestone in 1970 with the retirement of Andrew Olding Hebb as general manager. His guidance and dedication have contributed in great measure to CIAG's progress over the past quarter century. We are happy that he is remaining with the Association as treasurer until May this year.

CIAG is proud to be a part of the Ontario credit union movement. League past president Donald R. Bell is president of CIAG, one of five League directors on our board. Control of the CIAG companies is held by the League, the Ontario Federation of Agriculture and United Co-operators of Ontario, and more than 400 credit unions hold voting shares.

CIAG staff work closely with credit union people in all chapter areas, and welcome the contribution made by some 1,650 insurance advisers who give freely of their time to provide insurance counsel to their fellow credit union members.

A hundred thousand credit union people have insured themselves, their families, and the things they own with CIAG. More than 5,000 are enrolled in ADDIPLAN, the income protection plan introduced at the League's request specifically for credit union members. We are working closely with participating credit unions to extend ADDIPLAN's substantial, economical benefits to more families.

REPORT OF THE BOARD OF DIRECTORS TO THE 1971 ANNUAL MEETING

Your Board of Directors takes pleasure in reporting to the membership on the activities of the Ontario Credit Union League Limited during the year 1970.

For clarity, the report is set out in three sections. General, Committee Activities and Departmental Operations. It should be noted that recommendations and decisions of all Committees have been approved by the Board of Directors. Therefore, as they are described in the following report, they may be deemed to be those of the Board of Directors.

General:

Resolution #3 (1970) dealing with province-wide advertising was referred to the Board of Directors. During 1970 the League Central Committee has been exploring the several different advertising programs but were unable to reach a feasible conclusion. It was obvious to the Board of Directors that, from a budget standpoint, it was not possible to launch an extensive program out of dues income. In the meantime, our Education Department increased its efforts in designing advertising and promotion programs for use throughout the Province. Further, as at the date of this writing, staff has been directed to design a credit union promotion advertising campaign for consideration. It is expected that at least a beginning should be made during 1971.

Resolution #9 (1970) has been adhered to by embodying in this report the disposition of each of the resolutions referred to the Board of Directors.

In keeping with Resolution #14 (1970) we have continued to support the KENYA Project and have published articles on this activity from time to time in the Ontario Credit Union League NEWS.

During the past two years an increasing number of requests have been received for the League to sponsor a charter flight program. Under Department of Transport regulations the League cannot qualify as an affinity group so therefore could not set up a charter flight program in its own right. However, the executive of the Credit Union Study Club offered to restructure its operations so that its services could be made available to any credit union member in the Province. This proposal was found to be acceptable and the restructuring is complete, including a change of name to "OCU STUDY CLUB". The Study Club now operates out of the League building and a display booth has been set up at this annual meeting where information may be obtained.

We are pleased to report that an agreement has been reached with CIAG through which League ownership of stock in that Company and representation on its Board of Directors will change over the next five years so as to more truly reflect the number of policyholders who are credit union members. Briefly, the plan entails the gradual increase of League stock holdings to a total of 1000 CIAG shares and 1250 CIA LIFE shares and increasing the League nominees to the CIAG Board to six out of the total of ten.

Early in 1970 the League Board agreed to participate in the financing of the Ontario Branch of the Canadian Cooperative Housing Foundation. This action was reported to member credit unions by special notice, in which was included an invitation to each of them to participate in this project through donations. Unfortunately, we must report that only 20 credit unions have made donations totalling \$450.00.

League-OCCS Negotiations

Throughout 1970, your League Board continued to regard the proposed merger of the League and OCCS as its Number One item of priority.

Numerous meetings were held between the two Negotiating Committees, with the solicitors, and with officials of both the Federal and Provincial governments. Every effort was made to be in a position to present to this Annual Meeting a final agreement of merger for ratification. And although it proved impossible to formally put such a motion before the membership at this 1971 Annual Meeting, we are happy to report that this does not reflect any disagreement between the League Board and the Society's.

In fact full agreement and accord has been reached on the mechanics of merger, and the legal phraseology of the draft agreement itself has been prepared and submitted to the Federal government. Minor variations of wording may still be necessary, to reflect conditions as they exist when the merger is at last able to take place. The hold-up is not the result of disagreement within the credit union and cooperative movement—it is the necessity of awaiting the new Credit Unions Act. The membership of OCCS at their 1970 Annual Meeting passed a resolution which endorsed merger but insisted that it take place on terms which would provide full service to the Society's co-op members. Your League entirely respects and sympathizes with this position, but as presently constituted OCUL can only service credit unions. We must therefore secure legislation which will enable us to service co-ops, in order to pave the way to the merger.

To secure this legislation, a delegation from the League met with the Honourable A. B. R. Lawrence, Minister of Financial and Commercial Affairs. We found the Minister most sympathetic to the whole concept of enabling OCUL to take deposits from co-ops and make loans to them. In the result, we have every reason to anticipate that this legislation will be included in the revised Credit Unions

Act. This statute is expected to be introduced into the Ontario Legislature in March or early April, 1971.

A meeting was also held in Ottawa with the Superintendent of Insurance, to pave the way towards securing the consent of the Minister of Finance, which is necessary under OCCS's enabling statute.

In summary, 1970 has had its frustrations, but nevertheless real and tangible progress has been made, and the relationship between the League and OCCS has continued to be warm and friendly. This spirit of cooperation is as it should be, for we are both part of one great movement.

Legal and Legislative Committee

The Select Committee Report was the prime item on the work agenda of the Committee during 1970. Early in the year two special notices were sent to Chapters and Credit Unions asking for ideas and opinions on recommendations contained in the Report. Our directors and staff attended numerous meetings throughout the province where the Report was discussed. Only seven submissions were received from Chapters and Credit Unions. Using these and the opinions expressed at the various meetings we compiled a brief taking exception to recommendations in the report dealing with the Stabilization Fund, Examinations, Liquidity and Auditing. We also requested inclusion in the new Act of the powers for the League to accept cooperatives as associate members to facilitate the merger with OCCS. This brief, which was mailed to all credit unions, was submitted to the Honourable A. B. R. Lawrence, Minister of Financial and Commercial Affairs on August 12, 1970.

On October 28, 1970 we met with

the Minister to discuss the brief. As expected from a meeting of this nature, no firm commitments were made. However, we are pleased to report that we were given the impression that the Minister was sympathetic to most of our proposals, including those on liquidity, auditing and associate membership for cooperatives.

Regarding the questions of stabilization fund and examinations, we were left with the impression that the Minister still favours a government body with emphasis on the deposit insurance aspect of stabilization.

Resolutions #3 (1969) and #4 (1969) remained on the Committee agenda. Some difficulty has been experienced in drafting standardized contracts, for use by credit unions, which would be applicable to the several different types of line of credit loans which are issued by credit unions. However, these drafts are now completed and have been submitted to the Department for review and criticism. Upon receipt of agreement from the Department samples of the contracts will be made available to credit unions.

During the year the Committee became aware of a problem of filing space for loan applications in credit unions. The standard by-laws require loan applications to be maintained by credit unions as permanent records. We have taken this problem under review and are presently negotiating with the Department for a solution.

Chapter and Extension Committee

The Committee is pleased to report its activities for the past fiscal year.

The Thursday evening program at the 1970 League Annual Meeting in Ottawa was on the theme of "Credit Unions In The Seventies" with Dr. Walter Polner of CUNA International as the lead speaker. Your Committee has planned a follow-up program for the 1971 meeting to demonstrate what the Movement is doing in the marketing field.

An in-depth study of Chapters, to

determine their future role is being undertaken, and is a matter of continuing study.

Participation in the Credit Union Annual Report Contest has not been good, and serious consideration must be given to discontinuing the project. Perhaps the contest has outlived its usefulness, though the Committee feels that the standard of Annual Reports overall has considerably improved.

The Committee continues to take an active interest in the League's Development Program, in which three credit unions are participating. Progress in all three is good, and is reported on under Field Services. With continuing interest in World Extension, the Committee requested Management to send a release to all Chapters, suggesting that they set up World Extension Committees to promote interest in, and donations to, World Extension. This release was sent in June 1970.

We are pleased to report that six Chapters have taken advantage of League Central's offer to donate \$100.00 to any Chapter sponsoring Minor Hockey.

Policy Committee

This Committee worked on six main items during the year upon which we wish to report.

The monumental task of writing League job descriptions and job specifications, evaluating all jobs, and creating and implementing a formal salary administration program was completed in 1970. Having employed a consultant to train and guide our management staff in completing this project, we now have a sophisticated personnel program, which enables us to keep pace with the average being paid in business and industry for similar jobs. We are now in the process of training field staff personnel in this field so that credit unions may take advantage of what we have

learned by using similar techniques for their own operations.

Also completed in 1970 was an in-depth review and restructuring of our field services operations. Indicative of the success of the restructuring is the vast increase in examination production for 1970 compared to 1969, as reported elsewhere under Field Services.

The Committee gave intensive study to the disposition of annual meeting resolutions which had been defeated at previous annual meetings. Our intent in considering this matter was not one of stifling debate. Rather it was our desire to expedite the business of the meeting. As a result of our deliberations it was agreed that resolutions which had been submitted at any one of the three preceding annual meetings and subsequently defeated, would require a two-thirds majority vote, without debate, in order to be received by the meeting for consideration. The Resolutions Committee would report on the action taken by the prior annual meeting. The Committee continued its study of League policy in paying annual meeting hotel and travel rebates. We reviewed the costs for the 1970 meeting in Ottawa and the total cost since 1947, (which to date totals \$211,115.00). The Board of Directors views with concern the lack of additional registration resulting from increasing the hotel rebate from one to two days. Further, it was noted that according to information received no other League pays such rebates.

The efforts of one credit union at last year's annual meeting caused us to consider developing policy to cover credit union anniversary displays at League annual meetings. It seemed desirable to support such efforts and Management was directed to use whatever facilities are available to secure space and provide assistance

to credit unions wishing to set up anniversary displays at our annual meetings, with the expense of such projects to be borne by the participating credit unions.

The Committee continued its regular review of standing League policies. Several changes which were agreed upon will be included in the next printing of the POLICY HANDBOOK.

Stabilization Fund Committee

The Ontario Credit Union League Limited at its annual meeting in March 1961 very wisely and with great foresight established the Stabilization Fund. In the intervening ten years the wisdom of this action has been strongly vindicated. The Movement in Ontario has been strengthened and a new dimension has been given to its stature. The establishment of this fund was another step to ensure the continued sound development of our Movement. This action conforms to the sentiments of the Porter Royal Commission when it states "we believe it desirable in the Movement's own interest that that the primary source of insurance come from within its own ranks".

From the outset the Fund maintained a built-in provision for necessary expansion and has operated successfully for ten years with only one-fifth of the permitted maximum investment from member credit unions. It appears obvious that with the considerably increased funds (if deemed necessary) resulting from the proposal to raise contributions ultimately to 1% of capital and deposits, the Stabilization Fund cannot be operated other than successfully in the future and could conceivably return a modest dividend on the investment.

Resolution #13 (1970) directed the League to consider seeking legislation allowing credit unions so desiring to obtain deposit insurance from the Canada Deposit Insurance Corporation. After due consideration, the Board can see no advantage at this time (and some disadvantages) for

credit unions to avail themselves of this protection because of the present and future status of the Stabilization Fund. Except for an unforeseeable and extraordinary economic disaster the Fund unquestionably is and will continue to be adequate. However, a lender-of-last-resort facility, while not essential, might be valuable as a source of immediate funds to be used in very exceptional circumstances to pay out depositors and shareholders pending collection of the loans made with those savings. The Stabilization Fund Committee will continue to explore the possibility of arranging such a facility through the Canada Deposit Insurance Corporation.

After ten years of successful operation, the following statistical table is most significant:

Member credit unions participating	99.6%
Member loans—Capital	\$533,182.08
Reserves	\$149,110.73
Assets	\$750,738.00
Grants-in-aid outstanding (4)	\$ 9,200.00
No. of credit unions assisted in liquidation	155
Credit union member shareholders paid off at 100%	9312
Value of member savings paid out	\$1,848,348.87

The value of the member credit union's invested dollar is one dollar and twenty-one cents (\$1.21). This evaluation has been confirmed by the Fund's auditor, G. H. Ward & Partners.

It is obvious that the League's Stabilization Fund is a most necessary instrument for the protection and security of the Credit Union Movement in Ontario. The Board therefore maintains that—

1) Participation in the League's Stabilization Fund should by statute be mandatory for *all* chartered Credit Unions and Caisses Populaires in Ontario.

2) The administration of this Fund should by statute be left in the hands of the Ontario Credit Union League Limited.

3) Contributions made by participating credit unions in this Fund should be treated as an investment rather than as an expense.

4) The League Examination Programme is the most effective instrument to supervise and carry out the purposes and objectives of the Fund.

If we accept these four propositions, then we should be prepared to go to any lengths to make them a living reality.

Field Services Department

During the year 1970 a realignment of the Field Services Department was made. The Department assumed responsibility for organization, development, obtaining legal opinions and by-law amendments while re-vamping its operations in conversions to data processing and performing bookkeeping services for credit unions. As a result the disappointing performance of the 1969 examination program has been overcome.

It is pleasing to note that in 1970 there were 752 examinations performed compared to 379 during 1969. It is reasonable to assume that the 1970 pace can be maintained.

The Special Services division staff were involved in settling eight bond claims. While these claims were not sizeable, the work involved in settling them was extensive.

In addition, this staff handled special assignments for conversion of several credit unions to data processing, five systems and procedures analyses, a slightly declining demand in 1970 for assistance in planning credit union housing facilities, and dissolving credit unions through the Stabilization Fund.

It is interesting to note that the time required for an average dissolution of a credit union through the Fund is about four weeks, despite the extensive work and involved legal requirements which must be met. We doubt that any similar agency could duplicate such achievement.

The Field Services Department continues to conduct annual wage, salary and fringe benefit surveys to assist credit unions by providing the statistics gathered. Credit union Managers and Boards of Directors are urged to cooperate with this survey so that the information accumulated may be as meaningful as possible.

Eight credit unions were organized in 1970 having a total potential membership of 8,000. Also one credit union, having a membership of 2,000 was reinstated as a League member.

An increasing demand developed during the year on the time of field staff for assistance in working out the details for credit union mergers. This reflects a rapidly increasing trend towards smaller credit unions merging into larger units.

The League Development program was augmented by the addition of one credit union in 1970, bringing the total to three. Treating those credit unions under development as pilot projects, endeavouring by their experience to pinpoint deficiencies in the program, we have been carefully watching their progress. While in each instance we have observed sufficient growth to warrant continued support, it is becoming obvious that certain changes are required to make the project more effective. This matter is one of continuing analysis and study.

Education Department

The Education Department now consists of five people—the Director of Education, the Assistant-Director of Education (a new post created this year, which was filled on November 1, 1970), the Marketing Specialist and two secretaries.

The Education Division again had a very active year, as indicated by the following summary:

Chapter Schools and Meetings

Ten Chapter Schools involving nineteen Chapters were held during 1970, with a total attendance of 865.

Assistance has been provided to Chapters, where requested, for development of programs for Chapter meetings, with personnel and material being supplied where necessary.

Schools at the University of Guelph

1) The Fourth Annual Ontario League School for Credit Union Personnel was held May 3-15, 1970 at the University of Guelph. Total registration was 68. Seven of the students were from outside the province—three from Quebec, two from Nova Scotia, one from Manitoba and one from Saskatchewan. Ten scholarships of \$200.00 each, including three League scholarships, were awarded to students needing financial assistance.

2) Our first residential Financial Counselling Seminar was held at the University, July 19-24, 1970, with a registration of 43, including two from Quebec and one from Nova Scotia. Experience has indicated the need for the course, which has been set for July 18-23, 1971, in addition to a new first week at the same time.

3) Owing to the increasingly recognized importance of marketing for credit unions, a week-long Marketing Seminar has also been arranged for July 11-16, 1971 at the University.

Fall and Winter Schools (20-evening courses)

1969/70:

1) At the Toronto School held at the League building, 29 graduated from the Credit Union Administration Course and 22 from the Credit Union Accounting Course.

2) The Hamilton Courses were held at Delta Secondary School, Hamilton. 15 graduated in Administration and 14 in Accounting.

3) At St. Patrick's College, Ottawa, 10 graduated from the Administration and Accounting Courses.

1970/71 :

The Credit Union Accounting Courses are again being held both in Toronto and Ottawa, as is the Credit Union Administration Course. In Toronto, in lieu of the Administration Course, five short courses have been held for Directors, Supervisory Committee, Treasurer-Managers, Employees, and on Marketing, with registrations totalling 108.

Credit Granting Courses

In cooperation with St. Patrick's College, Ottawa, and with Colleges of Applied Arts and Technology in Toronto, Hamilton, London and Kitchener, six Courses in Credit Granting By Credit Unions were held during 1970, with three more to commence early in 1971. Total registration for this popular and important course has exceeded two hundred.

It is expected that the Credit Granting Course will be set up at Community Colleges in other areas for the fall and winter of 1971/72.

Home Study Course

Twenty-one persons have enrolled for the Home Study (Correspondence) Course on Fundamental Knowledge of Credit Unions during 1970.

Educational Material

Among others, new presentations have been prepared on Public Relations, Preparing Annual Reports and Staff Training. Also, new material has been prepared and used during the year for Chapter Meetings and Schools.

A new overhead projector presentation is in preparation on "What Are Credit Unions?" for use in schools and at public meetings.

The League pamphlet "This Is What Your League Provides For You" was translated into French, printed, and made available to Credit Unions in January 1970. The popular League pamphlet "This Is The Story Of Credit Unions" has also been produced in the French language, and is available from the League.

A total of 175,125 pieces of educational material was distributed by this Department during 1970. Showings of films and filmstrips from the Department's library totalled 96 for the year.

Marketing

Presentations on various aspects of marketing for credit unions were made during the year at five week-end Chapter Schools, at fourteen Chapter meetings, at four Fall and Winter Schools, at the KALLS Conference held in Kenora and at the League Staff Conference.

Consultant Service in Promotion, Advertising and Public Relations was given to 50 credit unions and two Chapters, either at the League Building or in various areas of the province. Three credit unions have used the Marketing Specialist's services on a retained basis for creating promotional literature and his services are made available to the various departments of the League.

A visual sales presentation for use with an overhead projector was designed and created for the Data Processing Department. The display promoting League services was designed for use at this 1971 League Annual Meeting by our Marketing Specialist.

With the advent of our membership in NACCU, we are maintaining a close liaison with NACCU representatives in an effort to dovetail, as much as possible, our efforts and plans in the

marketing field with those at the national level.

The addition of our Marketing Specialist to League Staff is providing a valuable service in improving the image of our Ontario Credit Unions as well as the League itself.

The News

The "General Manager's Message" and a new treatment for Chapter news is being well received. Also the column sponsored by CIAG on consumer items and safety is helping to diversify the contents.

Every attempt is being made to cover as much as possible the increasing amount of credit union news occurring throughout the province. During the year important events were the opening of the Brantford Community Credit Union by the Lieutenant Governor of Ontario, the Woodgreen Community (formerly Dunlop's Credit Union) opening when the Minister of Financial and Commercial Affairs and some members of the Select Committee joined the Credit union, St. Stanislaus Credit Union Day proclamation and picnic at Toronto Islands, etc. There is also an increasing number of celebrations (new buildings, anniversaries, etc.).

The NEWS in cooperation with the World Council of Credit Unions arranges publicity for visitors from overseas.

The activities of CUNA Mutual Insurance Society and Co-operators Insurance Association receive as much coverage as possible. Advance publicity is given to Chapter and Inter-Chapter meetings and Schools to help increase attendance.

All of the League Services are promoted regularly in the NEWS with photographs and news items. When space permits coverage of NACCU activities and International credit union news is published.

The NEWS averaged 102,000 (One

Hundred and Two Thousand) in 1970. About 9,500 (Nine Thousand and Five Hundred) credit union officers receive free copies each month. Another 1,000 (One Thousand) are distributed to newspapers, radio and TV stations, Ontario M.L.A.'s and M.P.'s, National Directors and League Managers in Canadian, U.S.A. and Overseas Leagues. Credit Unions purchase about 3,600 (Three Thousand and Six Hundred) a month and Co-operator's Insurance Association has 87,900 (Eighty-seven Thousand and Nine Hundred) subscriptions for distribution to policyholders.

Public Relations

Flowers and a plaque of the League Building are sent to credit unions opening new offices or new buildings. Throughout the province there appears to be more people in public life becoming involved in credit union activities, particularly at the opening of new buildings. The Department arranges to photograph these events and provide the participants with copies of the NEWS and photographs of themselves taking part in the event. Many expressions of appreciation have been received for this effort.

Centre page picture stories are greatly appreciated by those credit unions publicized. The most recent appreciation was from the Board of Directors of Kenora Railroaders ("Success Story for Kenora Railroaders") in the September issue. Credit unions are using the local media which is resulting in valuable publicity throughout the province. There were 1043 news clippings received during 1970.

With the trend towards increasing the number of community credit unions, our public relations programs are

being suitably adjusted to meet this new challenge.

CFTO-TV (Channel 9) continues to provide free television coverage of "The Cautious Twins" as a public service.

There is an increasing number of persons from abroad visiting the League to study our programs and operations. The Department helps co-ordinate their schedule in cooperation with our national and international organizations.

Data Processing Department

The anticipated rate of volume growth in this department did not materialize and thus revenues fell short of expectations as shown in the financial statements. The number of credit unions using the service increased by fifteen bringing the total to fifty embracing 119,519 members and 134,840 accounts. In addition, we are posting secondary chequing accounts on a daily basis for five credit unions, handling current and P.C.A. accounts on behalf of League Central for some seventy-five credit unions and processing bi-weekly payroll deductions for fifteen C.N.R. credit unions.

Generally our systems are working well although we do, from time to time, encounter minor problems with scheduling and meeting requests for specialized services for individual credit unions for which we do not have standardized programs in our package. However, it is pleasing to report that we have as yet to encounter an instance of one of our participating credit unions being seriously out of balance for any lengthy period of time.

We have planned a sales promotion campaign for 1971 and aim to increase our volume by one third. Our computer installation can handle almost double our present volume load.

Credit Union representatives are cordially invited to visit this department of the League, meet our staff and see a computer in operation

processing credit union work. Only in this way can one appreciate the speed, efficiency and accuracy of this valuable League service.

Staff

Once again it is our pleasure to formally acknowledge the efforts and loyalty of our dedicated staff. While it is the prerogative of the Annual Meeting and Board of Directors to set policy to govern our operations, we depend upon our staff to translate this policy into day-to-day activity. This they have done in an efficient, competent manner, in the spirit of true credit union philosophy.

Conclusion

As we review the activities of our League during the year 1970, we may take justifiable pride in what has been accomplished. The Administration Department completed the year with a surplus of some \$153,000. League Central experienced a year of unprecedented growth and service. The Stabilization Fund has never been stronger and has proven its worth beyond our greatest expectations. Our Examination and Education programs are welding a strong viable movement into a unified force for the economic and social betterment of all men of goodwill. For all this, we are truly grateful, and will express our gratitude by a determination to carry to a successful conclusion those policies that make for a better life in the brotherhood of humanity under the fatherhood of an all loving God.

Respectfully Submitted
K. W. Weatherley, President
J. M. Hallinan, B.A., Secretary
and General Manager

REPORT OF THE LEAGUE CENTRAL COMMITTEE TO THE 1971 ANNUAL MEETING

The best way to describe the activities of LEAGUE CENTRAL for the year 1970 is outstanding.

Current Accounts

In December 1968, LEAGUE CENTRAL offered current account services to our member credit unions. As of December 31, 1970 three hundred and thirty-six credit unions were using these services to their own advantage and that of their fellow League members. The system is working extremely well and has given our Movement unprecedented strength and independence. Because of changing economic conditions, but more particularly because of our current accounts, borrowing by LEAGUE CENTRAL from outside sources was minimal during the year. If such happy results can be achieved by 25% of our membership having their current accounts with LEAGUE CENTRAL, imagine what our position would be if 100% of our membership had current accounts with LEAGUE CENTRAL.

P.C.A.

On June 1, 1970 LEAGUE CENTRAL offered for the first time personal chequing account services for those member credit unions who could qualify for this service. At year end twenty credit unions had adopted this service and prospects for more credit unions coming on the service are encouraging. Again as in the case of our current accounts, the program

is operating efficiently and economically.

Retirement Savings Plan

In 1970 the League established the Ontario Credit Union League Limited Retirement Savings Plan with the cooperation of individual credit unions to provide credit union members throughout Ontario with an attractive method of supplementing the retirement income which may be provided by the Canada Pension Plan and/or their company pension plan. Detailed information on this Plan will be made available on request to the League.

Cu-Checks

The League applied to NACCU and received accreditation as the sole agent for CU CHECK in Ontario. We have continued our studies and negotiations with the Polaroid Corporation. To our pleasant surprise, we find that Polaroid has developed new, more sophisticated equipment for the production of the I. D. card. We expect this equipment to be available to us within the next month or two at a cost per unit of about 1/3 of that of existing equipment. We have therefore postponed implementation of the program pending this new equipment arriving on the Canadian market.

Comparative Table

The following table graphically indicates the excellent position of LEAGUE CENTRAL as of December 31, 1970:

	1970	1969
Total Assets	\$ 28,153,933	\$ 23,681,831
Loans outstanding at December 31st	19,275,095	21,762,024
Amount of loans granted in the year	18,009,322	16,125,708
Total amount of loans granted since inception	163,555,186	
Share capital as of December 31st	7,004,906	7,620,423
Deposits of League members at Dec. 31st	15,984,028	7,969,728
Total amount of interest returned to members	862,013	584,294
No. of credit unions with share accounts	961	611
No. of credit unions with deposit accounts	746	658
No. of credit unions with loans	512	966
No. of credit unions on current accounts	336	226
No. of credit unions on P.C.A.	20	

Recommendations

Borrowing Resolution

1) That this Annual Meeting adopt the following resolution:
"Be it resolved that the Ontario Credit Union League Limited be and is hereby authorized, during a period of one year from the first day of April 1971 to the thirty-first day of March 1972, to borrow money for the purpose of the League provided that the total amount borrowed at any time, from all sources shall not exceed 50% of the capital deposits and surplus of the League"

Dividend

2) That a dividend of 7¼% be paid on shares for the fiscal year 1970.

Excess of Income over Expenses at Dec.	
31, 1970	\$598,414.27
Less 20% to Guarantee Fund	119,682.85
	478,731.42
7¼% Dividend	459,950.02
To Undividend Earnings	18,781.40

LEAGUE CENTRAL is ready and prepared for the great challenge facing it in rendering unparalleled service and security for the credit unions of this Province. With continued enthusiastic support we shall accomplish a thousand times more than we think we can.

All Of Which
Is Respectfully Submitted
M. Cowal, Chairman
E. Reed
J. E. O'Dell
J. Sibley
K. Weatherley (ex officio)
J. Hallinan, Treasurer

REPORT OF THE NACCU DELEGATES TO THE 1971 ANNUAL MEETING

1970 was truly an historic year for the credit union movement in Canada. The first confederation meeting of NACCU was held in Vancouver on December 4th and 5th.

The meeting was opened with a formal address by the Honourable Ronald Basford, Minister of Consumer and Corporate Affairs for the Canadian Government. He drew particular attention to matters that are of interest to the credit union people of Canada.

Mr. Basford is presenting an amendment to the Bills of Exchange Act which creates a separate special class of consumer notes, (or customer bills), in which the consumer can pursue whatever rights he has under the contract despite the old provisions under which the subsequent holder of the promissory note, i.e. the finance company, was protected in any conflict between buyer and seller.

An announcement was made by Mr. Basford of considerable significance to the consumer who borrows money from private loan companies. He stated that the Small Loans Act and its enforcement will be coming under his jurisdiction in a matter of a few months, and that the Government is proposing a complete rewriting of this Act and the Interest Act.

Mr. Basford stated that the whole Bankruptcy Law in Canada is considerably overdue for revision. He also made the following statement :

"A Bankruptcy Act that allows a fair distribution of the assets of the bankrupt ; that gives proper rights to both creditor and debtor, is absolutely of prime importance in the coming months through the introduction of the passage of the new Act. I would welcome your comments and suggestions."

The Board of Directors of NACCU presented a comprehensive report on its activities during the year highlighting its relationship with the Canadian Cooperative Credit Society, an account of the activity of the National Financial Committee dealing particularly with the relationship of Centrals to the Bankers' Association, a report of progress on submissions by the Taxation Committee and a submission from a meeting of Canadian League Managers covering eleven different points attempting to analyze the needs of the Canadian credit union movement and recommended programs and services to meet these needs.

The Board reported on Overseas Development and relationships with insurance carriers. Other matters covered in the report included Legislation, Canadian Cooperative Associations Bill (C-177), Prices and Incomes Commission, French Registration, Data Processing, Education and Training Study and Risk Management. The Auditor's Report and Financial Statements were presented as well as a management agreement with the Canadian Cooperative Credit Society. A major by-law amendment concerning membership in NACCU was referred back to the Board of Directors for consideration and report back to the next annual meeting.

A 1971 NACCU dues schedule of eleven cents per member was adopted.

Ontario is playing a major role in NACCU evidenced by Mr. Weatherley being elected to the World Council of Credit Unions and as a director of NACCU, Mr. Bonner, being elected as a director of NACCU, Mr. Hallinan acting on the NACCU Development Committee and a Sub-Committee concerned with the education and training needs of the movement, and Mr. Falla, our banking specialist, acting on the NACCU National Financial Committee.

In April 1970, Mr. C. M. Drury, President of The Treasury Board, Federal Government, addressed a letter to Mr. R. J. Ingram of NACCU, stating that it would not be appropriate for legislation to be introduced making Public Service employees subject to garnishee proceedings. Mr. Drury supported his opinion by citing recent legislation enacted to protect wage earners and consumers from predatory extension of credit. Failure to convince Mr. Drury to make the necessary changes to legislation does not enable the directive of resolution #14 (1968) to be carried out.

All Of Which
Is Respectfully Submitted
K.W. Weatherley
D.R. Bell
J. Bonner
A.L. Tune
L. Davey
B.J. Romhanyi, *Chairman*

Combined Balance Sheet

At December 31, 1970 (With comparative amounts at December 31, 1969)

ASSETS	1970	1969
Cash	\$ 1,002,509	\$ 928,559
Loans and accrued interest—member Credit Unions	18,793,346	21,885,708
Notes and accrued interest receivable	7,249,646	—
Loans and Advances to employees	39,185	22,820
Sundry Prepayments, Receivables and Work-in-Progress	159,822	119,415
Assessment—Stabilization Fund	50,000	—
Investments—at cost (Quoted Market Value 1970 \$424,454, 1969 \$55,960)	433,359	66,625
Head Office Premises—at cost less accumulated depreciation		
Land and Landscaping	\$ 97,220	93,787
Building	613,515	635,298
Furniture and Furnishings	98,597	809,332
League Data Centre—deferred costs (net)	—	91,002
	\$28,537,199	\$23,948,918
Fund under Administration Stabilization Fund	750,738	625,296
	\$29,287,937	\$24,574,214

Note

Further details of the combined financial statements are shown on the separate departmental statements.

Auditors' Report

To the Members, Ontario Credit Union League Limited.

Scope of Examination

We have examined the combined balance sheet of the ONTARIO CREDIT UNION LEAGUE LIMITED as at December 31, 1970, and the combined statements of income and expense and undivided earnings for the year then ended, together with the separate statements for the Administration and Management, League Central Departments and the Stabilization Fund. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

Opinion

In our opinion these financial statements present fairly the financial position of the Ontario Credit Union League Limited as at December 31, 1970, and the results of its operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

January 28, 1971.

G. H. Ward & Partners
Chartered Accountants

Combined Balance Sheet

At December 31, 1970 (With comparative amounts at December 31, 1969)

LIABILITIES AND MEMBERS' EQUITY	1970	1969
Bank Loan Payable—secured	\$ —	\$ 5,000,000
Accrued Interest and Accounts Payable	358,823	215,531
Other Loans Payable	—	635,245
Deferred Subscriptions, Dues and Other Income	53,201	57,862
Instalments of Mortgage Bonds and Debentures due in one year	25,000	25,000
Employee Sick Pay Benefit Plan (Note A)	129,620	114,826
First Mortgage Bonds—4½%, \$7,500 due semi-annually 1972-1980	\$ 135,000	
Debenture—5%, \$5,000 due semi-annually 1972-1976	42,000	177,000
203,500		
Deposit—Stabilization Fund with League Central	485,367	400,461
Member Shares	7,004,906	
Member Deposit Accounts	15,984,028	
Member Current Accounts	3,040,471	26,029,405
16,165,964		
Guarantee Fund—a reserve against uncollectable loans and losses	775,422	867,718
Contingency Reserve	—	700
Contributed Surplus	—	812
Undivided Earnings—League Central Department	503,361	
General Reserve—Administration and Management Department	—	503,361
261,299		
	\$28,537,199	\$23,948,918
Fund under Administration: Stabilization Fund	750,738	625,296
	\$29,287,937	\$24,574,214

Approved by the Board
T. W. Weatherley, Director
L. Davey, Director

Note
A) This is the amount required, as actuarially determined, to meet future payments as they become due under the plan.

Combined Statement of Undivided Earnings and General Reserve

For the Year Ended December 31, 1970 (With comparative amounts at December 31, 1969)

		1970	1969
Balance at beginning of year		\$ 261,299	\$ 437,055
Add:			
Transfer from Guarantee Fund	\$ 59,220	—	—
Administration and Management Department Deficit transferred to Guarantee Fund	152,759	—	—
Combined Net Income for the year	541,404	753,383	291,808
		1,014,682	728,863
Deduct:			
Dividend paid on member shares (1970—7%, 1969—6½%)		511,321	467,564
Balance at end of year		\$ 503,361	\$ 261,299

Combined Statement of Income and Expense

For the Year Ended December 31, 1970 (With comparative amounts at December 31, 1969)

INCOME	1970	1969
Dues from Members	\$ 1,058,868	\$ 700,557
Entrance Fees	14	28
Occupancy and Service Assessment	237,819	100,000
Interest and Dividends on Investments	187,121	61,756
News Subscriptions, Advertising, Printing and Mailing	246,441	234,524
Rental Income	22,120	23,105
Interest on Loans to Members	1,697,708	1,621,592
Data Processing	234,605	190,683
Other Income	12,343	19,798
Cuna Mutual Insurance Society—Promotion and Organization of new Credit Unions	—	16,000
Co-operators Insurance Association Promotion Accident and Fire Prevention Publicity	83,912	87,716
	\$ 3,780,951	\$ 3,055,759
EXPENSE		
Administration and Management Department		
Administrative and Organization	\$ 1,114,567	1,008,322
Public Relations, Printing, Mailing and News	280,723	248,255
Educational	97,991	85,686
Data Processing	240,981	190,683
Auditorium	11,645	11,175
Amortization of League Data Centre deferred costs	91,002	1,836,909
League Central Department	1,282,955	1,104,619
	\$ 3,119,864	\$ 2,648,740
Combined Net Income for the year before provision for uncollectable loans	661,087	407,019
Less: Transfer of 20% of League Central Net Income to Guarantee Fund as required by law	119,683	115,211
Combined net income for the year (Note 2)	\$ 541,404	\$ 291,808
Note:		
1) Included in the expenses are the following:		
Depreciation	48,680	45,167
Directors' Fees (per diem allowance)	4,955	5,370
Interest on long term borrowing	10,081	11,049
2) Comprised of:		
Net Income (Expense)—Administration and Management Department	62,673	(169,039)
Net Income—League Central Department	478,731	460,847
	\$ 541,404	\$ 291,808

Administration and Management Department Balance Sheet

At December 31, 1970 (With comparative amounts at December 31, 1969)

ASSETS		1970	1969
Current Assets			
Cash	\$ 3,641		
Loans and advances to employees	39,185	\$ 22,820	
Sundry prepayments, receivables and work-in-progress	149,854		116,800
Assessment—Stabilization Fund	50,000	242,680	139,620
Fixed Assets			
Land and Landscaping—at cost	97,220		93,787
Building—at cost	\$ 811,314		
Less: Accumulated depreciation	149,799		
	661,515		
Less: Transferred to date from Building Fund	48,000	613,515	635,298
Equipment and furnishings—at cost	283,528		
Less: Accumulated depreciation	184,931	98,597	105,497
		809,332	834,582
Investments—at cost		26,255	22,205
League Data Centre, deferred costs (net)		—	91,002
		\$ 1,078,267	\$ 1,087,409
Fund Under Administration			
Stabilization Fund		750,738	625,296
		\$ 1,829,005	\$ 1,712,705

Administration and Management Department
Balance Sheet

At December 31, 1970 (With comparative amounts at December 31, 1969)

LIABILITIES AND RESERVES		1970	1969
Current Liabilities			
Bank Indebtedness	—	\$	57,595
Loan—League Central Department	\$ 542,241		740,000
Accounts Payable	148,088		57,777
Deferred subscriptions and advertising	41,477		43,084
Deferred dues	8,524		11,663
Deferred Rental Income	3,200		3,115
Accrued Interest	3,117		44,769
Instalments on mortgage bonds and debentures due in one year	25,000	771,647	25,000
			983,003
Employee Sick Pay Benefit Plan (Note A)		129,620	114,826
Long-Term Liabilities			
First mortgage bonds—4½%, \$7,500 due semi-annually 1972-1980	135,000		
Debentures—5%, \$5,000 due semi-annually 1972-1976	42,000	177,000	203,500
Contingency Reserve		—	700
Contributed Surplus—Contributions to Building Fund	48,000		
Less : Transferred to date to cost of building	48,000	—	812
General Reserve (per statement)		—	(215,432)
		\$ 1,078,267	\$ 1,087,409
Fund Under Administration			
Stabilization Fund		750,738	625,296
		\$ 1,829,005	\$ 1,712,705

Approved by the Board
K. W. Weatherley, *Director*
L. Davey, *Director*

Note
A)—See note on page 17

Statement of General Reserve

At December 31, 1970 (With comparative amounts at December 31, 1969)

	1970	1969
Balance (at debit), beginning of year	\$ (215,432)	\$ (46,393)
Net income (expense) for the year	62,673	(169,039)
	\$ (152,759)	\$ (215,432)
Transfer to Guarantee Fund of League Central Department	152,759	—
Balance, end of year	\$ Nil	\$ 215,432

Administration and Management Department Statement of Income and Expense

For the Year Ended December 31, 1970 (With comparative amounts at December 31, 1969)

	1970 Budget	1970 Actual	1969 Actual
INCOME			
Administration	\$ 1,333,975	\$ 1,405,966	\$ 938,170
Public Relations, Printing, Mailing and News	239,500	246,441	234,524
Auditorium	11,800	12,570	11,705
Data Processing	250,000	234,605	190,683
	\$ 1,835,275	\$ 1,899,582	\$ 1,375,082
EXPENSES			
Administration and Organization (Note 2)	\$ 1,124,983	\$ 1,114,567	\$ 1,008,322
Public Relations, Printing, Mailing and News	284,210	280,723	248,255
Education	96,620	97,991	85,686
Auditorium	11,480	11,645	11,175
Data Processing	250,000	240,981	190,683
	\$ 1,767,293	\$ 1,745,907	\$ 1,544,121
Net Income (Expense) for the year from regular operations	\$ 67,982	\$ 153,675	\$ (169,039)
Deduct:			
Amortization of League Data Centre deferred costs	—	91,002	—
Net Income (Expense) for the year	\$ 67,982	\$ 62,673	\$ (169,039)

Notes

1) Further details of the Statement of Income and Expense for the year ended December 31, 1970 are shown in the Proposed Budget for the year 1971 on pages 23-26.

2) During February 1970 the Organization section was combined with Field Services under Administration.

Administration and Management Department
Proposed Budget for the Year 1971
Summary

INCOME	1970 Budget	1970 Actual	1971 Budget
Administration and Management	\$ 1,333,975	\$ 1,405,966	\$ 1,452,540
Public Relations, News, Mailing and Printing	239,500	246,441	259,500
Auditorium	11,800	12,570	13,500
Data Processing	250,000	234,605	275,000
	\$ 1,835,275	\$ 1,899,582	\$ 2,000,540
EXPENSE			
Administration and Management	\$ 1,124,983	\$ 1,114,567	\$ 1,250,988
Public Relations, News, Mailing and Printing	284,210	280,723	292,100
Education	96,620	97,991	108,500
Auditorium	11,480	11,645	11,150
Data Processing	250,000	240,981	271,800
	\$ 1,767,293	\$ 1,745,907	\$ 1,934,538
Net Income from regular operations	67,982	153,675	66,002
Amortization of League Data Centre Deferred Costs	—	91,002	—
	\$ 67,982	\$ 62,673	\$ 66,002

Administration and Management Department
Proposed Budget for the Year 1971

INCOME	1970 Budget	1970 Actual	1971 Budget
Membership Dues	\$ 1,071,835	\$ 1,058,868	\$ 1,080,000
Entrance Fees	40	14	20
Interest—Loans and Investments	2,700	3,460	3,800
Assessments to Departments	120,000	237,819	267,600
Rental Income	11,400	9,550	9,120
CIAG—Monthly News Column	12,000	—	24,000
—News Postage Supplementary Payment	18,000	18,000	—
—Youth Advisory Board Support	5,000	5,000	—
—Insurance Services Promotion	46,000	48,912	46,000
—Organization	12,000	12,000	12,000
Other Income	35,000	12,343	10,000
	\$ 1,333,975	\$ 1,405,966	\$ 1,452,540

Administration and Management Department Proposed Budget for the Year 1971

EXPENSES	1970 Budget	1970 Actual	1971 Budget
Annual Meeting			
General	\$ 36,000	\$ 42,986	\$ 40,000
Travel Rebates	20,000	30,150	27,000
Board of Directors—			
General	25,000	22,151	23,000
Per Diems	6,000	4,955	5,000
National (NACCU)	5,000	3,160	3,000
Bank Charges	1,000	701	—
Bonding, Travel and Miscellaneous Insurance	5,500	5,316	5,500
Corporation Tax	5	5	5
Cuna Dues	71,455	70,575	—
NACCU Dues	1,250	2,500	79,100
Depreciation—Equipment	18,700	18,700	20,800
Employee Benefits	84,600	85,130	99,200
Equipment Service Charges	1,700	1,485	1,700
Gifts and Donations	250	257	250
Miscellaneous	4,550	618	500
Occupancy Costs	123,923	120,207	114,933
Office Supplies	5,800	14,324	10,000
Postage	5,450	4,592	5,000
Printing	22,500	25,153	21,000
Professional Services			
—Legal	15,000	15,120	17,000
—Audit	2,000	2,500	2,300
—Salary Survey	2,000	(Note)	1,000
Salaries	537,300	532,615	662,700
Staff Conference	6,000	4,903	6,000
Travel	111,000	93,432	92,500
Telephone and Telegraphs	13,000	13,032	13,500
	\$ 1,124,983	\$ 1,114,567	\$ 1,250,988

Note

A salary survey was conducted at a cost of \$6,537 which was charged to the special contingency reserve.

Administration and Management Department
Proposed Budget for the Year 1971
Education Department

EXPENSES	1970 Budget	1970 Actual	1971 Budget
Assessment—Occupancy and Services	\$ 8,650	\$ 8,650	\$ 4,500
Chapter Schools and Meetings	11,000	10,235	11,000
Chapter Grants	11,000	9,435	11,000
Depreciation	780	780	800
Employee Benefits	5,890	5,890	6,600
Equipment Service Charges	100	44	100
Miscellaneous	200	143	100
Postage	1,500	1,281	1,400
Printing and Supplies	12,000	11,608	13,000
Salaries	38,000	40,522	43,900
Travel	7,500	9,403	9,000
Year Book	—	—	7,100
	\$ 96,620	\$ 97,991	\$ 108,500

Public Relations, News, Mailing and Printing

INCOME			
NEWS—Subscriptions	\$ 102,500	\$ 103,694	\$ 102,000
—Advertising	17,000	17,507	17,500
Job Printing and Mailing	120,000	125,240	140,000
	\$ 239,500	\$ 246,441	\$ 259,500
EXPENSES			
Assessment—Occupancy and Services	\$ 7,200	\$ 7,200	\$ 7,000
Depreciation	6,200	6,200	6,600
Employee Benefits	11,310	8,996	11,200
Miscellaneous	1,600	600	1,000
NEWS—Postage, Mailing, Photography and Miscellaneous	132,000	137,873	138,000
Salaries	73,000	72,015	75,000
Service on Equipment	2,600	2,334	2,500
Supplies and Job Printing	48,000	43,463	48,000
Travel	2,300	2,042	2,800
	\$ 284,210	\$ 280,723	\$ 292,100

Administration and Management Department Proposed Budget for the Year 1971 Auditorium

	1970 Budget	1970 Actual	1971 Budget
INCOME			
Rental Income	\$ 11,800	\$ 12,570	\$ 13,500
EXPENSES			
Assessment—Occupancy and Services	\$ 10,300	\$ 10,300	\$ 9,800
Direct Expenses	1,180	1,345	1,350
	\$ 11,480	\$ 11,645	\$ 11,150

Data Processing Department

INCOME			
Services Charges	\$ 250,000	\$ 234,605	\$ 275,000
EXPENSES			
Assessment—Occupancy and Services	\$ 6,600	\$ 6,600	\$ 6,300
Depreciation	2,500	2,500	3,000
Salaries	80,000	80,923	100,000
Travel	4,500	4,226	5,000
Employee Benefits	12,400	12,400	15,000
Printing and Supplies	35,000	33,874	39,500
Equipment Rental	90,000	100,458	103,000
Capital Cost Recovery	19,000	—	—
	\$ 250,000	\$ 240,981	\$ 271,800

Administration and Management Department Schedule of Occupancy Costs

	1970 Budget	1970 Actual	1971 Budget
Interest	\$ 47,940	\$ 45,448	\$ 37,000
Depreciation—Building	20,283	20,283	20,283
Taxes	29,000	28,415	30,500
Insurance	2,300	2,398	2,500
Heat	3,800	3,348	3,600
Light—Water	6,600	6,187	6,700
Cleaning Materials, etc.	14,000	14,128	15,000
	\$ 123,923	\$ 120,207	\$ 115,583

Stabilization Fund Balance Sheet

At December 31, 1970 (With comparative amounts at December 31, 1969)

ASSETS		1970	1969
Cash	\$ 458		\$ 15,238
Cash on deposit—League Central	485,367		400,461
		\$ 485,825	415,699
Assets assigned to Trustees from assisted Credit Unions			
Loans—at cost (face value \$399,843)	284,350		221,200
Less: Allowance for uncollectable loans and collection costs	28,435		22,362
	255,915		198,838
Bonds and Shares—at cost (Quoted Market Value 1970 \$7,394, 1969 \$9,712)	7,916	263,831	10,759
Sundry Receivable		1,082	—
		\$ 750,738	\$ 625,296
LIABILITIES AND RESERVES			
Liabilities			
Current			
Accounts Payable			
Administration Department	\$ 50,000		
Undistributed Receipts from Credit Unions under dissolution	46,882	\$ 96,882	\$ 4,508
Long-Term			
Loans from Credit Unions, non interest bearing, due 1976—85		533,182	492,635
Reserve for Undertaking of Grants-in-Aid to Participating Credit Unions		9,200	9,200
Reserve for Loss on Credit Unions Not Presently Being Assisted		—	20,000
General Reserve			
Balance December 31st 1969	\$ 98,953		65,447
Add: Net Income for the year	12,521		33,506
Balance December 31st 1970		111,474	98,953
		\$ 750,738	\$ 625,296

Approved by the Board

K. W. Weatherley, *Director*

L. Davey, *Director*

Note

Contingent Liability Outstanding Undertakings in connection with Grants-in-Aid \$9,200.

Stabilization Fund

Statement of Income and Expense

For the Year Ended December 31, 1970 (With comparative amounts for 1969)

INCOME		1970	1969
Excess of receipts over cost of loans	\$	54,414	\$ 38,577
Recovery of loans written off		14,689	6,113
Interest on Loans		35,684	30,000
Investment and other income		30,767	31,887
	\$	135,554	\$ 106,577
EXPENSE			
Administration Assessment for prior years	\$ 20,000		—
Administration Assessment for current year	50,000		—
Bank charges and exchange	241		396
Collection and miscellaneous expense	13,689		8,571
Loan Insurance	3,922		2,945
Postage, printing and supplies	2,020		2,003
Professional services	900		625
Rent	300		300
Salaries	10,075	101,147	8,517
		34,407	23,357
			83,220
Deduct:			
Provision for undertaking of Grants-in-Aid (1969 Credit)		—	(18,550)
Provision for uncollectable loans		21,886	48,264
Provision for anticipated loss on credit unions not presently being assisted		—	20,000
		21,886	49,714
Net Income for the Year	\$	12,521	\$ 33,506

League Central Department Balance Sheet

At December 31, 1970 (With comparative amounts at December 31, 1969)

ASSETS	1970	1969
Cash	\$ 998,868	\$ 986,154
Loan Receivable—OCUL Administration Department	542,241	740,000
Loans to member credit unions	18,732,854	21,762,024
Notes Receivable	7,200,000	—
Accrued Interest		
—members' loans	\$ 60,492	
—notes receivable and investments	49,646	110,138
Investments—at cost		
Government or Government guaranteed Bonds (quoted market value 1970 \$392,679, 1969 \$31,740)	401,584	
Co-operative shares	5,520	407,104
Other Assets		
Prepaid Expenses and sundry receivables	9,968	2,615
Furniture and Fixtures—at cost	\$ 9,854	207
Less: Accumulated Depreciation	9,854	—
	\$28,001,173	\$23,659,104
LIABILITIES AND MEMBERS' EQUITY		
Bank Loan Payable—secured	—	\$ 5,000,000
Accrued Interest Payable	\$ 207,618	112,985
Other Loans Payable	—	635,245
Deposit—Stabilization Fund	485,367	400,461
Member Shares	\$ 7,004,906	
Member Deposits	15,984,028	
Member Current Accounts	3,040,471	26,029,405
Guarantee Fund—a reserve against uncollectable loans and losses	775,422	867,718
Undivided Earnings	503,361	476,731
	\$28,001,173	\$23,659,104

Approved by the Board
K. W. Weatherley, *Director*
M. Cowal, *Director*

League Central Department Statement of Income and Expense

For the Year Ended December 31, 1970 (With comparative amounts at December 31, 1969)

INCOME		1970	1969
Interest on loans to members		\$ 1,697,708	\$ 1,621,592
Interest and dividends on investments and deposits		183,661	59,085
		\$ 1,881,369	\$ 1,680,677
EXPENSE			
Advertising and Promotion	\$ 10,840		4,248
Bank Charges and Exchange	6,622		8,615
Current Account Costs	69,349		24,299
Depreciation	207		985
Interest—Member and Stabilization Fund Deposits	888,049		607,608
Other Loans	130,577		354,536
Miscellaneous	6,791		5,024
Office Supplies	13,615		13,230
Postage and Mailing	3,747		3,322
Professional Services	4,800		4,700
Shares for new Credit Unions	90		200
Special Representative—Salary and Travel	13,740		13,052
Administration Department Charge for Services	134,528		64,800
		\$ 1,282,955	\$ 1,104,619
Net Income for the Year before provision for uncollectable loans		598,414	576,058
Less: Transfer to Guarantee Fund of 20% as required by law		119,683	115,211
Balance of Net Income available for allocation		\$ 478,731	\$ 460,847

League Central Department Schedule of Reserves

For the Year Ended December 31, 1970 (With comparative amounts for 1969)

	1970	1969
GUARANTEE FUND		
Balance at beginning of year	\$ 867,718	\$ 752,507
Deduct:		
Transfer to Undivided Earnings as authorized at Annual Meeting March 1970	59,220	—
Transfer of Administration Department Deficit at December 31, 1970	152,759	—
	211,979	
	655,739	
Add:		
Allocation of 20% of net income	119,683	115,211
Balance at end of year	\$ 775,422	\$ 867,718
UNDIVIDED EARNINGS		
Balance at beginning of year	\$ 476,731	\$ 483,448
Add:		
Transfer from Guarantee Fund as authorized at Annual Meeting March 1970	59,220	—
	535,951	
Deduct:		
Dividends paid on shares (1970 7%, 1969 6½%)	511,321	467,564
	24,630	15,884
Add: Balance of Net Income for the Year available for allocation	478,731	460,847
Balance at end of year	\$ 503,361	\$ 476,731

League Central Department Schedule of Investments

At December 31, 1970

	Cost	Quoted Market Value	Principal Amounts
Government or Government Guarantee Bonds, Debentures and Shares			
Government of Canada Conversion Loan of 1958, 4½% due September 1, 1983	\$ 8,000	\$ 6,380	\$ 8,000
Canadian National Railways—4% bonds, due February 1, 1981	34,400	27,115	40,000
County of Halton—9% debentures due December 1, 1971-74	259,184	259,184	260,000
Provincial Bank of Canada—10,000 Common shares, par value \$10.00	100,000	100,000	100,000
	\$ 401,584	\$ 392,679	\$ 408,000
Co-operative Shares			
Co-operators Insurance Association of Guelph—			
110 shares par \$100 each—50% paid up	5,500		5,500
Co-operators Insurance Agency Limited—			
2 shares par \$10 each	20		20
	\$ 5,520		\$ 5,520

Delegate's Pledge

As a delegate to the annual meeting of the Ontario Credit Union League
I do solemnly pledge—

To serve those who have selected me for this high office with the best
that is in me;

To continually increase my knowledge of credit union history, philosophy
and operations;

To be ever mindful of the great heritage of our forefathers, Raiffeisen,
Desjardins and Filene;

To guard, preserve and enrich the credit union ideals given into my care;

To always place the welfare of the credit union movement above special
interests and personal ambitions;

With humility I ask the Almighty to strengthen me in this resolve and
give me wisdom and courage; that under my guidance the credit unions
may grow and flourish, ever increasing in number and service, a living
testimonial of the brotherhood of man and a mighty force for democracy
and peace throughout the world.



O CANADA

O Canada, our home and native land,
True patriot love in all thy sons command.
With glowing hearts we see thee rise
The true north strong and free,
And stand on guard, O Canada,
We stand on guard for thee.
O Canada! O Canada! O Canada!
We stand on guard for thee.
O Canada, we stand on guard for thee.

CONGRATULATIONS TO THE FOLLOWING CREDIT UNIONS CELEBRATING
THEIR 25TH ANNIVERSARIES THIS YEAR (1971)



Abrasive Workers of Niagara Falls Credit Union	Mueller Employees' (Sarnia) Credit Union Ltd.	St. Joseph's Parish (Douro) Credit Union Ltd.
Adjala Credit Union Ltd.	Otis Fensom Employees' (Hamilton) Credit Union	St. Joseph's Parish (Dryden) Credit Union
Camera Heights (Mount Dennis) Credit Union	People's Co-Operative (Port Arthur)	Thunder Bay Educational Employees
College Heights (Guelph) Community Credit Union Ltd.	Polish National Credit Union Ltd.	Ukrainian (St. Catharines) Credit Union
Co-op Services (London) Credit Union Ltd.	Proctor & Gamble Employees (Hamilton) C.U. Ltd.	Ukrainian (Windsor) Credit Union Ltd.
Fleetway Transports Credit Union Ltd.	Sacred Heart Parish (Peterborough) Credit Union	Windsor Dominion Civil Servants Credit Union
Kakabeka Falls Community Credit Union Ltd.	Saskatchewan Pool Employees' (Port Arthur) C.U.	York Hosiers (Woodstock) Credit Union Ltd.
Metro Toronto Police Credit Union Ltd.	Sherwood (Toronto) Credit Union Ltd.	
	St. Columbkille Parish (Uptergrove) C.U.	

